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Filed Electronically

F. KENT BURNS – RETIRED

Ms. A. Shonta Dunston
Chief Clerk
North Carolina Utilities Commission
430 N. Salisbury Street
Raleigh, North Carolina

Re: Application of Red Bird Utility Operating Company, LLC, d/b/a Red Bird for
Transfer of Etowah Sewer Company, Inc.
Docket Nos.: W-933, Sub 12 and W-1328, Sub 0

Dear Ms. Dunston:

I write on behalf of Red Bird to further supplement the Transfer Application pending in these dockets by providing the following additional documents and information:

1. Enclosed are Certificates of Good Standing issued by the North Carolina Secretary of State establishing that each of Red Bird Utility Holding Company, LLC (originally known as CSWR-North Carolina Utility Holding Company, LLC); Red Bird Utility Operating Company, LLC (originally known as CSWR – North Carolina Utility Operating Company, LLC); and North Carolina Central States Water Resources, LLC (originally known as CSWR-North Carolina, LLC), are existing North Carolina limited liability companies in good standing.
2. Also enclosed is an Explanation of Corporate Structure that details the interrelationship of these entities and how this model has historically been utilized by Central States Water Resources. An updated Corporate Organization Chart is also enclosed.
3. Enclosed Attachment Q addresses the easements to be acquired by Red Bird and contains related statements requested by Public Staff regarding their sufficiency for operation of this system.

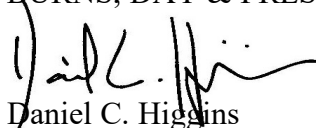
4. O&M Contractor Materials. As previously reported to the Commission, Red Bird will employ qualified Operations and Maintenance (O&M) Contractors to operate the systems it acquires in North Carolina, as it does in every other state where Red Bird affiliates operate. As a practical matter, many of the systems Red Bird seeks to acquire are currently operated by contract operators. The enclosed O&M Qualification and Bidding Process Description explains the multi-step process by which CSWR requests qualification information and references to identify qualified potential O&M Contractors using the enclosed RFQ Template. The three O&M Contractors in North Carolina that CSWR has identified as qualified to this point are listed in the O&M Qualification and Bidding Process Description. The attached Contractor Response Time Information and Data document details CSWR affiliates' contractor response times by system in three other jurisdictions (AR, KY, MO) for the first quarter of 2022. As previously reported in connection with the Bear Den (W-1328, Sub 4) and Crosby Utilities (W-1328, Sub 9) dockets, as to the four Ocean Terrace / PKT properties in Pine Knoll Shores which Red Bird acquired in mid-December 2021, Red Bird has received no customer complaints from these properties and no customer service issues have been identified at this time.
5. We are also filing another copy of the Purchase and Sale Agreement (originally filed on October 8, 2020), with all exhibits referenced therein attached, labeled as Confidential Attachment G.3. This document is marked "CONFIDENTIAL" and will be filed under separate cover. The document will be filed under seal as it contains confidential and proprietary information and is exempt from public disclosure under N.C. Gen. Stat. § 132-1.2. This Purchase and Sale Agreement was assigned to Red Bird by Central States Water Resources, Inc. through the First Amendment to Purchase and Sale Agreement, which was filed with the Commission as Confidential Attachment G.2 on February 15, 2022. Red Bird will be the purchaser of the utility assets that are the subject of that Agreement.

Please do not hesitate to contact me if you or the Commission have any questions regarding these materials. Likewise, please notify me immediately if there is any question regarding maintaining the confidentiality of the Confidential Attachment G.3. Otherwise, we would hope that the Commission will issue an Order setting this matter for hearing in the very near future.

With best regards, we remain

Sincerely yours,

BURNS, DAY & PRESNELL, P.A.



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DCH/krs

Enclosures

cc: Public Staff – Legal and Water and Sewer
Red Bird